

May 2, 1975

CLERK: Mr. President, just ahead of that there will be a Legislative Resolution inserted in the Journal relative to urging the Congress to conduct an investigation of the issue of American prisoners at war and persons missing in action in Southeast Asia. To take action and insure an honorable determination and the fate of those men.

PRESIDENT: Senator Savage.

SENATOR SAVAGE: Mr. President, there are a number of lights on when we adjourned yesterday afternoon, I left that list on your desk so that the...if you want to continue from there on.

PRESIDENT: The Chair is going to rely on Senator Savage's list and the first name is Senator Carsten, Senator Murphy, F. Lewis, Burrows, Mahoney, Chambers, Syas, and Keyes. Now, I have Senator Cope on that list. Those are the names handed me by Senator Savage. The Chair recognizes Senator Carsten.

SENATOR CARSTEN: Mr. President.....

PRESIDENT: Excuse me, according to the list given me by Senator Savage, all of these but Syas are for the second time. Senator Carsten.

CLERK: LB 123 is a bill relating to revenue and taxation to provide for a corporate income tax. The committee amendment by Senator Carstens' Revenue Committee are still pending.

SENATOR CARSTEN: Mr. President, and members of the Legislature, first of all I want to beg forgiveness from the Legislature in the Committee report and I think if you read it you will readily see that the opening sentence deals with the corporate farm which certainly is incorrect as far as this bill itself is concerned. My proof reading was inadequate and I certainly missed it, and a corporate farm does not belong in that sentence. It's purely a corporate tax not a corporate farm tax. I want that clarification made at the outset. I think that it is only timely that we look at the tax structure as it is before us and has been before us for some time and was established back in the late 60's and the extreme amount of time and effort and energy that went into the establishment of that formula. What was finally agreed upon by corporation, individuals, and such, that brought us our present tax structure. At the beginning there was a two percent tax on corporations and as you recall, or may not recall, that two percent was changed in, I believe it was 1972 in LB 1103 which raised the corporate tax from two to two and one-half percent. This was accepted by corporations. The readily admitted then that probably the original was not in full accordance with their abilities and were ready then to accept that much of an increase and it was adopted and accepted and that is our structure at the moment. That did become effective in July of 1972. Now then,